

# Health financing in Botswana: Summary of key policy action areas for sustainability

## Introduction

As part of its journey towards attaining Universal Health Coverage (UHC), the Government of Botswana (GoB) has committed to ensuring access to quality health services for its population. However, there is growing pressure on publicly subsidised health services due to both existing inefficiencies and limited fiscal space exacerbated by the COVID-19 pandemic and global economic change. To achieve its goals of reaching HIV/AIDS epidemic control and attaining UHC, the GoB must explore instruments to expand the health revenue base, increase efficiency gains, and improve the overall sustainability of the sector. In support of these goals, the [African Collaborative for Health Financing](#) (ACS) project, under the leadership of the Ministry of Health and Wellness (MoHW) and the National AIDS and Health Promotion Agency (NAHPA), worked through the Health Financing Technical Working Group to support a body of work aligned to GoB goals. The following areas of action are recommended to sustain past gains and build momentum as well as ensure the sustainability of future health financing efforts.

## 1. Increase literacy around Public Financial Management (PFM) as a backbone for efficient financial flows

**Overview:** One of the key objectives for Botswana is to ensure that PFM is more efficient, effective, participatory, and transparent, which will in turn improve service delivery, accountability, and sustainability. Health program managers' and budget holders' literacy on budget processes and financial management has been identified as a key priority area. Increasing capacity in these areas can help to tackle technical and allocative inefficiencies in Botswana's health care system and enhance dialogue between MoHW and the Ministry of Finance and Economic Development (MoFED). ACS supported the development and delivery of a Training of Trainers program focused on helping budget holders and program managers at national, Regional Health Management Team (RHMT), and facility levels to gain literacy around key PFM practices relevant to their daily work.

### Key results

- Conducted a training needs assessment.
- Developed a PFM training program and capacitated a team of 46 trainers from all 18 RHMTs.

### Key recommendations to policymakers

- Continue strengthening dialogue between MoHW and MFED on budget negotiations and budget advocacy to enhance PFM support for health financing and accountability at all stages of budget formulation, execution, and monitoring.

### Next steps

- Ensure routine mentoring of health program managers and budget holders in order to cascade PFM training to the regional level and provide the required support for uptake and application of lessons learned.
- Support continued adaptation, application, and evolution of the PFM training approach to expand budget literacy among non-state actors such as Civil Society (NGOs), politicians, and media representatives to increase accountability.

## 2. Improve quality and harmonization of health financing data

**Overview:** Well-coordinated, harmonized, and integrated data systems constitute the foundation for ensuring that decision makers have the right information to shape health financing policy and promote evidenced-based planning. Harmonization of resource tracking data collection provides efficiency gains through a single data collection effort that fulfills the data needs for both System of Health Accounts (SHA)

and National AIDS Spending Assessment (NASA). Further, ACS supported a health information management rapid assessment and a data systems mapping exercise, which demonstrated the minimum necessary data elements to serve as the basis for commencing a tariff setting and payment simulation program.

#### Key results

- Secured broad stakeholder consensus and buy-in of the combined resource tracking approach.
- Built capacity of MoHW staff to conduct resource tracking through training and mentorship.
- Consolidated proof of concept for this innovative harmonized resource tracking approach to be used in other African countries.

#### Key recommendations to policymakers

- Link health financing data needs into the broader Health Management Information Systems (HMIS) to support institutionalization of health financing analysis through routine expenditure tracking and costing.
- Hire designated HMIS staff at facility level, conduct routine orientation and training, and upgrade internet connectivity to effectively capture data as well as to build institutionalized systems that promote systematic expenditure and resource tracking.

#### Next steps

- Conduct resource tracking using the harmonised approach for the 2018/19 period.
- Revise the data quality assessment procedures and expand the existing HMIS to routinely capture health financing data.

### 3. Define an explicit and integrated benefit package for UHC that includes HIV/AIDS services

**Overview:** To reach HIV epidemic control and sustain gains made in the HIV/ AIDS response, ACS supported NAHPA and MoHW to define a costed package of HIV/AIDS services that the country should use to prioritise available funding allocation. The design of the package was informed by goals set out in relevant strategic documents such as *Elimination of AIDS by 2030*, *Vision 2036*, the National Development Plan 11, the UN Sustainable Development Goals, as well as the UNAIDS HIV Fast Track Targets.

#### Key result

- Costed package of HIV/AIDS services for epidemic control endorsed by key stakeholders including HIV/AIDS care and treatment Technical Working Group (under the leadership of MoHW and NAHPA).

#### Key recommendations to policymakers

- Develop an Essential Health Service Package (EHSP) that streamlines the delivery of a single, comprehensive package accessible to all residents in Botswana.
- Ensure that the development of the EHSP leverages lessons learned from the HIV/ AIDS basic service package design process.

#### Next steps

- Integrate the package of HIV/AIDS services into the overall EHSP, to generate efficiency gains for Botswana<sup>1,2</sup>.

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<sup>1</sup> Ministry of Health 2010; Integrated Health Services Plan: A Strategy for Changing the Health Sector for Healthy Botswana (2010-2020)

<sup>2</sup> Lenka Satya Ranjan, George Bitra; July-September 2013- Integrated Health Service Delivery: Why and How *National Journal of Medical Research Volume 3 | Issue 3*

#### 4. Build the foundations for better strategic purchasing to support efficiency gains while recovering costs along the way

**Overview:** Botswana's health care system is largely financed by Government revenues and is characterized by low out-of-pocket spending, guaranteeing a high degree of financial protection. However, challenges related to quality and efficiency of the health care system persist, threatening the path towards UHC. Strategic purchasing is one of the best strategies for generating efficiency gains, moving the country from passive, input-based towards more active, results-based purchasing approaches. Currently, the country lacks a clear set of prices and protocols for reimbursement from Medical Aid Scheme (MAS) members who access the public system. As a result, cost recovery has become an immediate and shared priority of government and MAS. However, it must be embedded in broader purchasing and tariff setting reform to avoid gaming and further cost escalation. Once in place, the tariff system will regulate the health service pricing framework across the entire public and private sector.

##### Key results

- Developed a multi-year tariff setting roadmap and implementation plan that would enable the development of a full schedule across all causes and conditions.
- Designed a cost recovery implementation plan to inform the first year of work and lay the foundation for the broader roadmap; a protocol to guide assignment of tasks against that plan; and a policy brief to support awareness-raising across stakeholders.

##### Key recommendations to policymakers

- Proactively engage with interest groups including representatives from MAS, hospitals, and other relevant individuals to ensure cohesion before phase 1 of cost recovery implementation commences.
- Establish specific technical working groups for clinical experts and costing/statistical experts to support rollout of the tariff setting program.
- Develop a communication strategy that highlights the benefits to all stakeholders from better managing the financing of services for those enrolled in MAS.

##### Next steps

- Take forward the stepwise plan outlined in the implementation protocol for cost recovery, including assigning point persons across stakeholder groups and assembling necessary technical oversight mechanisms.

#### 5. Explore pooled procurement as a modality to improve efficiency and ensure availability of health commodities at the national and regional levels

**Overview:** Globally, pooled procurement is regarded as an efficient strategy to resolve commodity issues of high prices and poor quality. The ACS project supported the MoHW and NAHPA in conducting an analysis of the benefits of pooled procurement, detailing possible pooled procurement mechanisms available to Botswana, as well as the procurement context in the country. The intention was to generate insights for the Botswana health sector and build a case that pooled procurement be considered as one of the procurement options for medicines and other health supplies.

Currently, Botswana has a *Citizen Economic Empowerment (CEE) Policy* that was identified as one of the bottlenecks for the country to benefit from global and regional pooled procurement. This policy requires prioritization of citizen-owned or local companies in the awarding of government tenders. The current arrangement has proven inefficient in both cost and in ensuring reliability of the supply of medicines, as there exist no local manufacturers for medicines and medical supplies. The analysis report provides an advocacy tool for MoHW and NAHPA to use when requesting exemption for the health sector from the CEE Policy requirements, specifically on procurement of medicines and other health supplies and commodities.

### Key results

- Developed an analytical report and policy briefs on insights from global and regional pooled procurement mechanisms that Botswana can leverage to improve procurement efficiencies.

### Key recommendations to policymakers

- Dialogue with the MoFED and other government policymakers for the exemption of medicines and other related health supplies from the *Citizen Economic Empowerment* policy.

### Next steps

- Adopt a phased approach with tangible objectives across the four levels of pooled procurement that allows continuing use of global mechanisms, while reinforcing information sharing via South African Development Community pooled procurement services and regional coordination.

## 6. Institutionalize diversity and inclusiveness in sustainable health financing dialogue

**Overview:** ACS supported the reinvigoration of key policy dialogue platforms to reaffirm multisectoral stewardship of the country's journey toward sustainable financing for HIV/AIDS epidemic control and UHC. Participation of all actors in the design and generation of sustainable health financing technical solutions, tools, and evidence has garnered traction for key reforms. Joint planning and alignment of health service delivery with national goals and strategic direction has produced buy-in and commitment among stakeholders. The reactivation and reengagement of technical working groups (health financing, resource tracking, and HIV/AIDS care and treatment) has been instrumental to providing strategic guidance in the design, continuity, and maintenance of key HIV/AIDS priority setting interventions as well as sustainable health financing reforms. Re-engaging the Botswana Health Partners Forum remains key to promote multi-stakeholder dialogue on other health systems changes needed to support and build off the health financing agenda.

### Key results

- Supported development of the concept note and review of terms of reference and membership composition for the Health Partners Forum.
- Persuaded the MoHW to include the voices of key stakeholders in sustainable financing and UHC policy dialogue.

### Key recommendations to policymakers

- Strengthen engagement of multi-stakeholder platforms to serve as inclusive mechanisms for oversight and strategic guidance around the implementation of key health financing interventions and to build ownership, continuity, and sustainability.

### Next steps

- Re-convene the Health Partners Forum as a structure for activating the engagement of multisectoral stakeholders in an inclusive manner.

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